

Public Housing Authority 2020 Project-Based Budget Approval



Housing & Community
Services/Wichita Housing
Authority

August 4, 2020



Background



- The Public Housing Authority (PHA) is comprised of both Public Housing and Housing Choice Voucher Programs.
- Both Programs receive an annual allocation of funds from the U.S. Department of Housing and Urban Development (HUD).



Background Cont.



- HUD adopted Public Housing Operating Fund Rule 24 CFR 990 which
 - establishes the Operating Fund Program which is the formula for determining operating subsidy
 - requires PHAs that operate 250 or more dwelling units to use Asset Management as their business model
- Under the final rule, the Wichita Housing Authority (WHA) Board is required to adopt a resolution approving the PHA budget in project-based format using HUD Form 52574.



Background Cont.



- The Coronavirus Aid, Relief and Economic Security (CARES) Act was enacted on March 27, 2020.
- The Act, intended to address the economic fallout of the COVID-19 pandemic in the United States, provided additional funding to HUD that was allocated to PHAs across the nation.



Background Cont.



- Supplemental Public Housing Operating funds of \$685 million were awarded, in accordance with the Operating Fund Formula, to help low-income Americans residing in public housing.
- Supplemental Administrative Fee funding of \$380 million was also awarded for the Housing Choice Voucher and Mainstream programs. The amount of administrative fee funding each PHA received equaled two months of their average calendar year 2018 and 2019 monthly administrative fee eligibility.



Background Cont.



- The additional CARES Act funding can be used through December 31, 2020 for expenses related to preventing, preparing for and responding to the coronavirus outbreak including activities to support or maintain the health and safety of assisted individuals and families.
- The Act also provided PHAs flexibility to use previously appropriated Capital, Operating and Administrative funds for coronavirus purposes.



Public Housing Program



- All public housing properties are managed using an Asset Management based system with expenses tracked at the project level.
- The Public Housing Program consists of four Asset Management Projects (AMPs) and the Central Office Cost Center (COCC).
- The operational budget for the Public Housing Program is estimated each year based on program funding allotted by HUD.



Public Housing Program Cont.



Total allocated: \$2,041,878

- AMP1 - \$473,202
- AMP2 - \$123,195
- AMP3 - \$879,951
- AMP4 - \$565,530



Housing Choice Voucher Program



- The operational budget for the Housing Choice Voucher and other related programs is estimated each year based on program funding received from HUD in the prior year as HUD is unable to notify WHA of actual funding before the annual budget is finalized.
- WHA is authorized for 3,037 Housing Choice Vouchers but, depending on the dynamics of the families with leased vouchers and the local rental market, may not be able to provide subsidies for the total number with the renewal funding allotted to the Housing Choice Voucher program by HUD.



Housing Choice Voucher Program Cont.



Total allocated: \$19,017,854

- Housing Choice Voucher - \$16,696,832
- Mainstream - \$323,691
- Family Self Sufficiency - \$199,023
- Administration - \$1,798,308



CARES Act



- As a result of the CARES Act, the PHA received additional Operating and Administrative Fee funding.
- PHA has until December 31, 2020 to expend the additional allocations.



CARES Act Cont.



Total Allocated: \$671,565

- Public Housing Program - \$321,957
- Housing Choice Voucher Program - \$340,734
- Mainstream Program - \$8,874



CARES Act Cont.



- Additional operating and administrative funding will be used for allowable expenses related to preventing, preparing for and responding to the coronavirus outbreak. Examples include:
 - Personal Protective Equipment
 - Extra Sanitation and Cleaning



CARES Act Cont.



- Technology Upgrades to promote social distancing
- Self Serve Kiosks for City Hall and Neighborhood Resource Centers
- Enhanced Resident Services, Engagement and Outreach at Neighborhood Resource Centers in coordination with the Office of Community Services



Financial Considerations



- Approval of the 2020 budget is required for the City to continue receiving Federal PHA funds
- CARES Act funding for Public Housing, Housing Choice Voucher and Mainstream is exempt from match requirements
- There is no impact to the General Fund



Recommendation



- It is recommended that the WHA Board approve the 2020 PHA project-based budget including supplemental CARES Act funding, approve the funding allocations and recommendations, adopt the related HUD resolution and authorize the necessary signatures.



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